

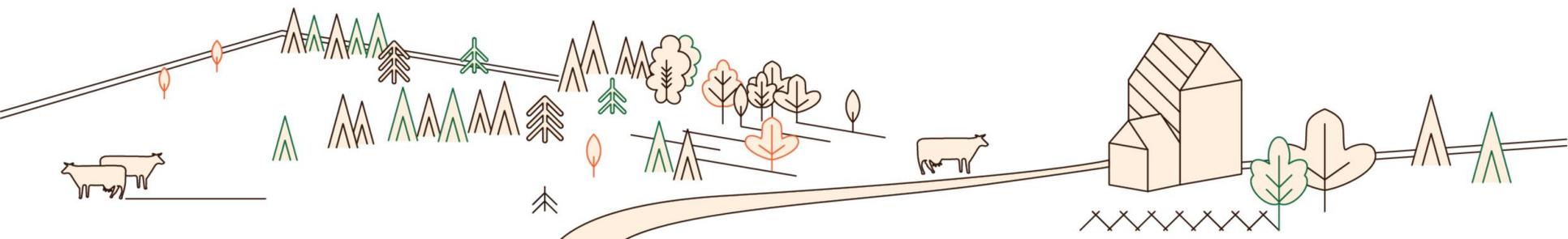


THE RESULTS OF Q1 2020 VILKYŠKIŲ PIENINĖ AB GROUP



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1. MAIN EVENTS DURING Q1 2020

ACHIEVEMENTS:

- * In Europe's largest independent brand study "Sustainable Brand Index" Vilkyškių pieninė brand fell among the most sustainable brands in Lithuania – ranked honorable 12th, while in the food and beverage category among the 19 brands studied there is in TOP-5. A total of 49 brands were involved in the investigation, selected on the basis of market share, turnover and brand awareness. As many as 1200 respondents rated the environmental and social responsibility of enterprises in the study.
- * On February 28, Modest AB received an official Maxima's message of thanks for the cherished production of Tauragė Region, which is willingly purchased and appreciated by the customers of the largest trading network in Lithuania.

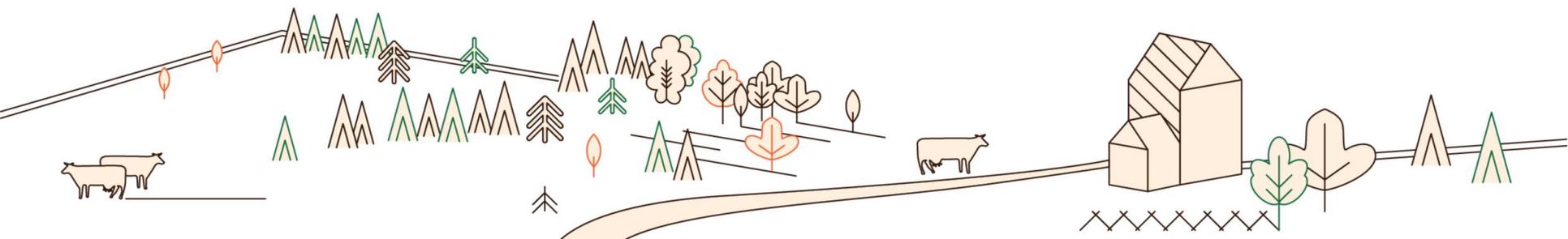
EXHIBITIONS:

- * In February, Vilkyškių pieninė AB traditionally took part in the international exhibition of food industry "Gulfood 2020" in Dubai, The United Arab Emirates. The main focus was on mozzarella cheese and milk/whey powder.



CERTIFICATES:

- * Kasher certificate issued to Kelmės pieninė AB Tauragė Devision;
- * Kelmės pieninė AB Tauragė Devision has extended Halal certificate;
- * Modest AB has extended Halal certificate;
- * Vilkyškių pieninė AB has extended Halal certificate.



NEW MARKETS:

- * Sales growth continued to be driven by consistent work with European Union customers and the search for new buyers in Asia, Africa, South and Central America regions.
- * Diversification of markets ensured stable cheese sales in Q1 2020 despite the influence of COVID-19. In addition, Q1 2020 successfully launched cheese sales to China.
- * Q1 2020 dry milk products sales were over 70% higher than Q1 2019. This has been influenced by sales growth in the Asian, African and European regions and by the active search for new markets. Successfully launched in the Chinese and Australian markets.



2. MAIN FINANCIAL INDICATORS

	Q1 2016	Q1 2017	Q1 2018	Q1 2019	2019
Revenue (Thousands EUR)	16,714	27,818	20,975	27,414	29,103
EBITDA (Thousands EUR)	14	1,964	1,278	115	1,601
EBITDA margin (%)	0.1%	7.1%	6.1%	0.4%	5.5%
Net profit (loss) (Thousands EUR)	-565	1,042	124	-820	502
Profit (loss) margin (%)	-3.4%	3.7%	0.6%	-3.0%	1.7%
Quantity of purchased milk, t	55,884	56,684	60,074	57,446	68,837
Profit (loss) per share (EUR)	-0.05	0.09	0.01	-0.07	0.04
Net financial debt (Thousands EUR)	24,263	30,896	29,991	29,552	24,912

At Q1 2020, sales revenue came to 29.1 MEUR (6.2 percent more than at Q1 2019).

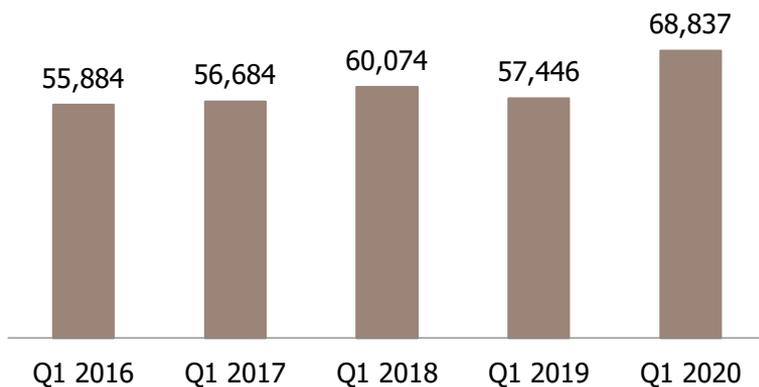
At reporting period EBITDA was 1.6 MEUR or 1.5 MEUR more than in previous year same period.

In 3 months of 2020 net profit was 0.5 MEUR then same period of 2019 net loss was 0.8 MEUR.

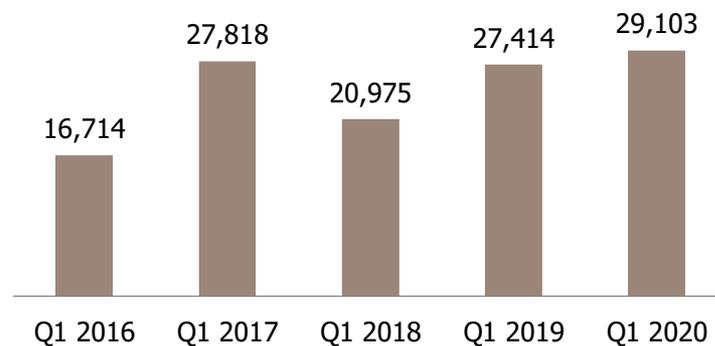
At Q1 2020, a total of 68.8 t tones of milk was purchased, and increase by 19.8 percent as compared with Q1 2019.



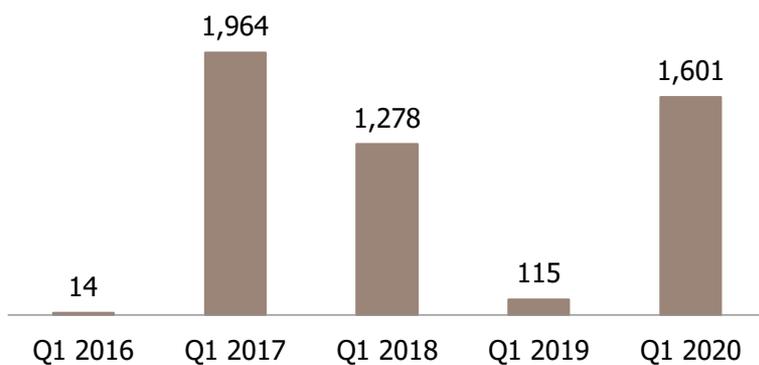
QUANTITY OF PURCHASED MILK, T



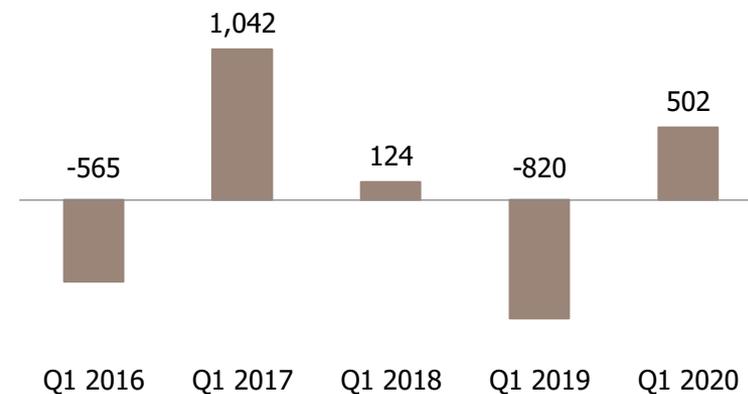
REVENUE, THOUSANDS EUR



EBITDA, THOUSANDS EUR



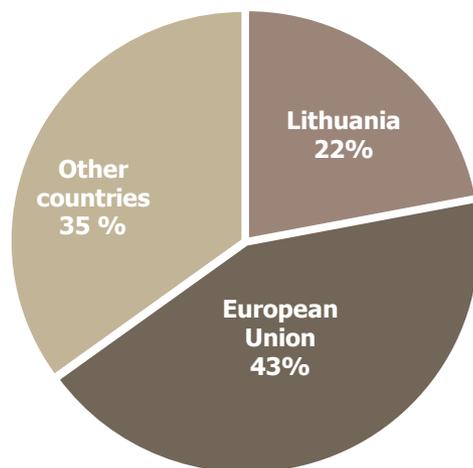
NET PROFIT (LOSS), THOUSANDS EUR



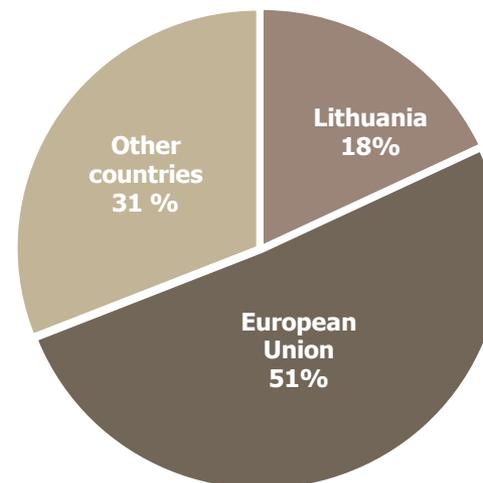
3. SALES REVENUE BY MARKETS

(Thousand EUR)	Q1 2019		Q1 2020	
Lithuania	5,987	22%	5,219	18%
European Union	11,941	43%	14,891	51%
Other countries	9,486	35%	8,993	31%
Total revenue:	27,414		29,103	

Q1 2019



Q1 2020



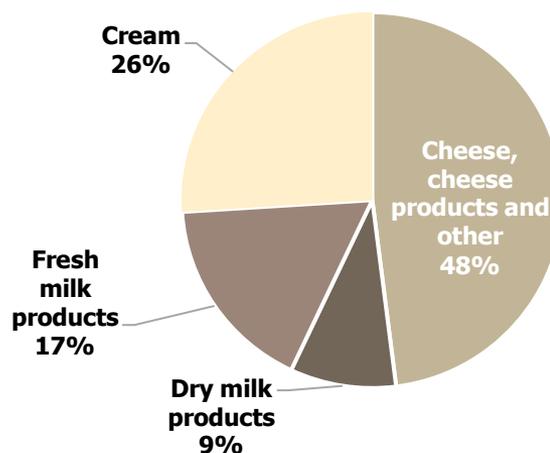
4. SALES REVENUE BY OPERATING SEGMENTS

(Thousand EUR)	Q1 2019		Q1 2020	
Cheese, cheese products and other	13,070	48%	14,084	48%
Dry milk products	2,587	9%	4,591	16%
Fresh milk products	4,770	17%	4,266	15%
Cream	6,987	26%	6,162	21%
Total:	27,414		29,103	

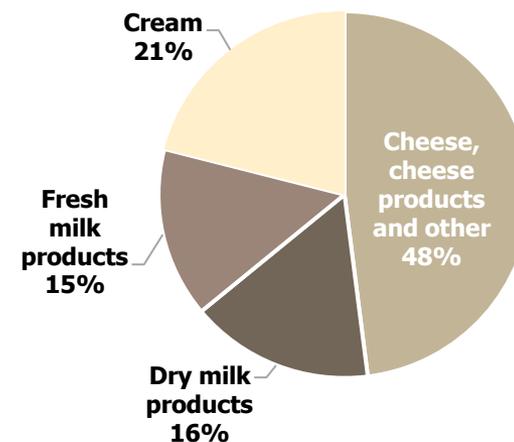
THE SEGMENT COMPRISES:

- * **Cheese, cheese products and other.** Cheese, cheese products, liquid whey that stays during the process of cheese production, etc.;
- * **Dry milk products.** WPC, skimmed-milk, permeate and whey powder produced by the subsidiary;
- * **Fresh milk products.** Fresh milk products produced by the subsidiary (milk, kephir, yoghurt, sour milk, butter, curd products).

Q1 2019



Q1 2020



5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION



Thousand EUR	2019.12.31	2018.12.31
ASSETS		
Property, plant and equipment	47,781	48,452
Accrued rent income	1,233	1,303
Intangible assets	6,942	6,936
Non-current amounts receivable	277	358
Deferred tax asset	339	159
Non-current assets	56,572	57,208
Inventories	11,021	11,161
Trade and other receivable	9,055	8,699
Prepayments	980	679
Cash and cash equivalents	306	298
Current assets	21,362	20,837
Total assets	77,934	78,045
EQUITY		
Share capital	3,463	3,463
Share premium	3,301	3,301
Reserves	2,428	2,455
Retained earnings	22,361	21,831
Total equity attributable to owners of the Company	31,553	31,050
Non-controlling interest	50	51
Total equity	31,603	31,101
LIABILITIES		
Borrowings liabilities	11,784	12,308
Lease liabilities	555	642
Government grants	5,098	5,243
Deferred income tax liability	-	-
Non-current liabilities	17,437	18,193
Borrowings liabilities	13,434	14,142
Lease liabilities	379	391
Income tax payable	-	-
Trade and other payables	15,081	14,218
Current liabilities	28,894	28,751
Total liabilities	46,331	46,944
Total equity and liabilities	77,934	78,045



6. CONSOLIDATED INCOME STATEMENT

Thousand EUR	2020.01.01- 2020.03.31	2019.01.01- 2019.03.31
Revenue	29,103	27,414
Cost of sales	-26,846	-26,608
Gross profit (loss)	2,257	806
Other operating income	51	120
Distribution costs	-1,041	-1,120
Administrative expenses	-643	-656
Other operating expenses	-23	-42
Results of operating activities	601	-892
Finance income	17	10
Finance costs	-296	-273
Net finance costs	-279	-263
Profit (loss) before income tax	322	-1,155
Income tax expenses	180	335
Profit (loss) for the period	502	-820
Attributable to:		
Owners of the Company	503	-819
Non-controlling interest	-1	-1
Profit (loss) for the year	502	-820
Basic earnings (losses) per share (EUR)	0.04	-0.07

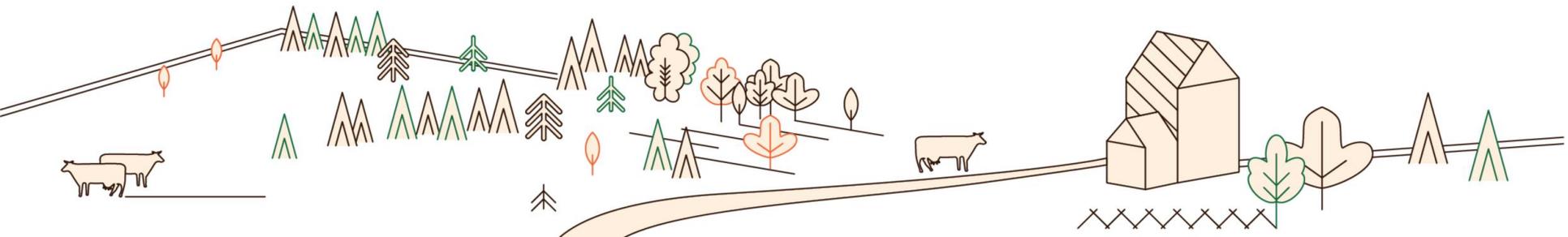


7. CONCOLIDATED STATEMENT OF CASH FLOWS

Thousand EUR	2019.01.01- 2019.12.31	2018.01.01- 2018.12.31
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) for the year	502	-820
Adjustments for:		
Depreciation of property, plant and equipment	1,125	1,153
Amortization of intangible assets	3	5
Amortization and write-off of grants	-145	-151
Gain (loss) from disposal of property, plant and equipment	1	-35
Income tax expenses	-180	-335
Interest expenses, net	279	263
	1,585	80
Change in inventories	139	2,764
Change in non-current amounts receivable	81	37
Change in trade and other receivables and prepayments	-529	371
Change in trade and other payables	981	-3,920
	2,257	-668
Interest paid	-209	-164
Income tax paid	-	-8
Net cash flows generated from operating activities	2,048	-840
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for acquisition of plant and equipment	-555	-1,009
Payments for acquisition of intangible assets	-9	-2
Proceeds from sale of plant and equipment	1	87
Loans recovered	-150	-
Net cash flows used in investing activities	-713	-924
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans received	1,284	3,763
Repayments of borrowings	-2,516	-2,188
Financial lease	-95	-115
Net cash flows generated from financing activities	-1,327	1,460
Net increase (decrease) in cash and cash equivalents	8	-304
Cash and cash equivalents at 1 January	298	407
Cash and cash equivalents at 31 March	306	103

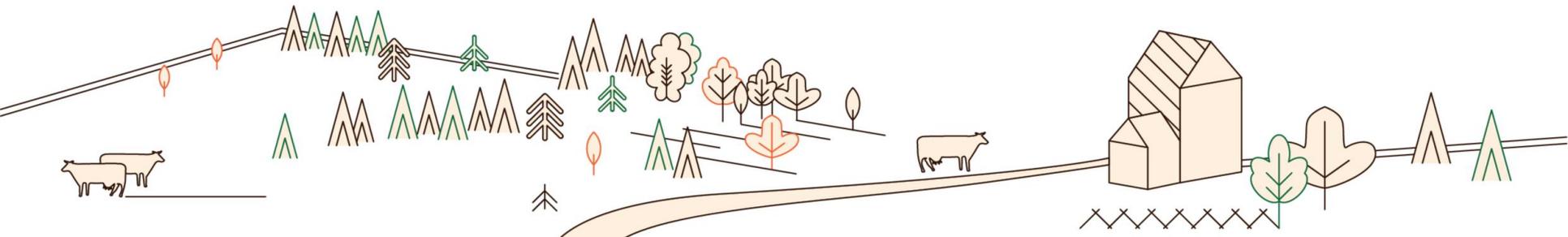


ADDITIONAL INFORMATION

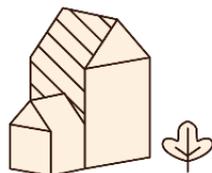


8. ABOUT THE COMPANY

- * Vilkyškių pieninė AB was established in 1993.
- * On the 31th of March 2020 the Group had 842 employees.
- * The production of Dairy products is the core of Group business.
- * Company's share capital amounts to 3.5 million EUR.
- * The Company's issue is included in the Official List of AB NASDAQ OMX Vilnius.
- * The ISIN code of the securities: LT0000127508, Ticker symbol: VLP1L.
- * Standards: ISO 22000:2005 and FSSC 22000.

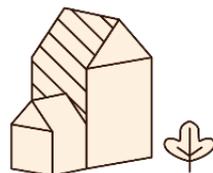


9. COMPANIES OF THE GROUP



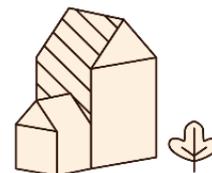
VILKYŠKIŲ PIENINĖ AB

- * Established in 1993.
- * The production of fermented cheese, cream, whey products.



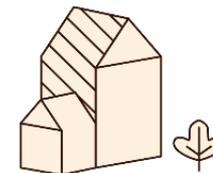
“MODEST” AB

- * Established in 1992.
- * The production of melt, smoked cheese, mould cheese, mozzarella, other cheese products.



KELMĖS PIENINĖ AB

- * Established in 1993.
- * The production of fresh dairy products and dry milk products (WPC, SMP, permeate, whey powder).

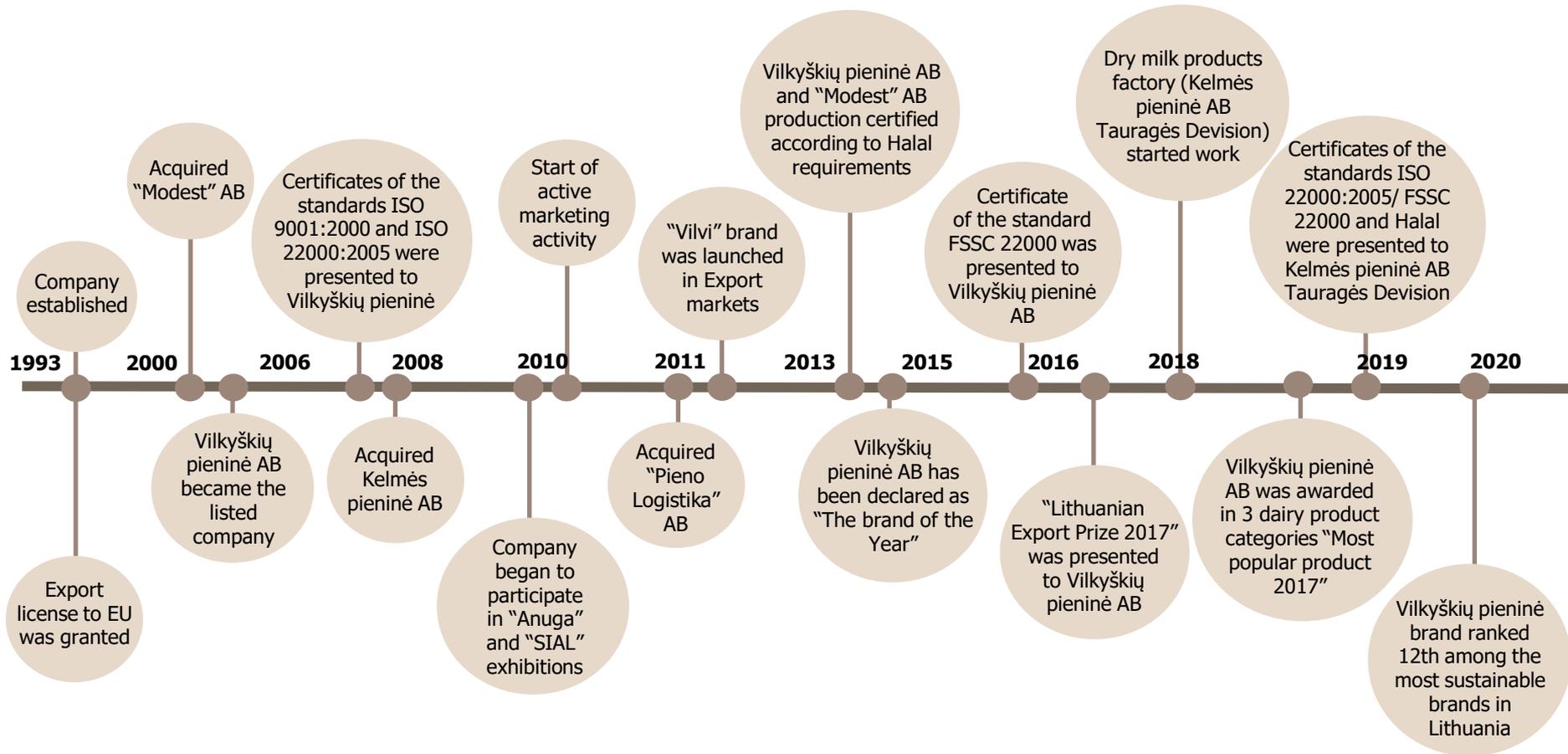


“PIENO LOGISTIKA” AB

- * Established in 2013.
- * Rental of buildings.

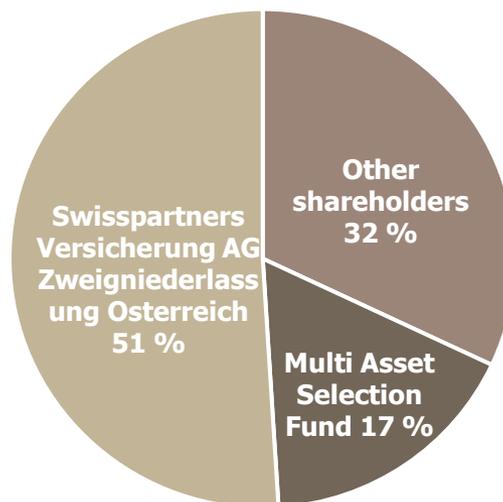


10. SHORT HISTORY OF THE COMPANY



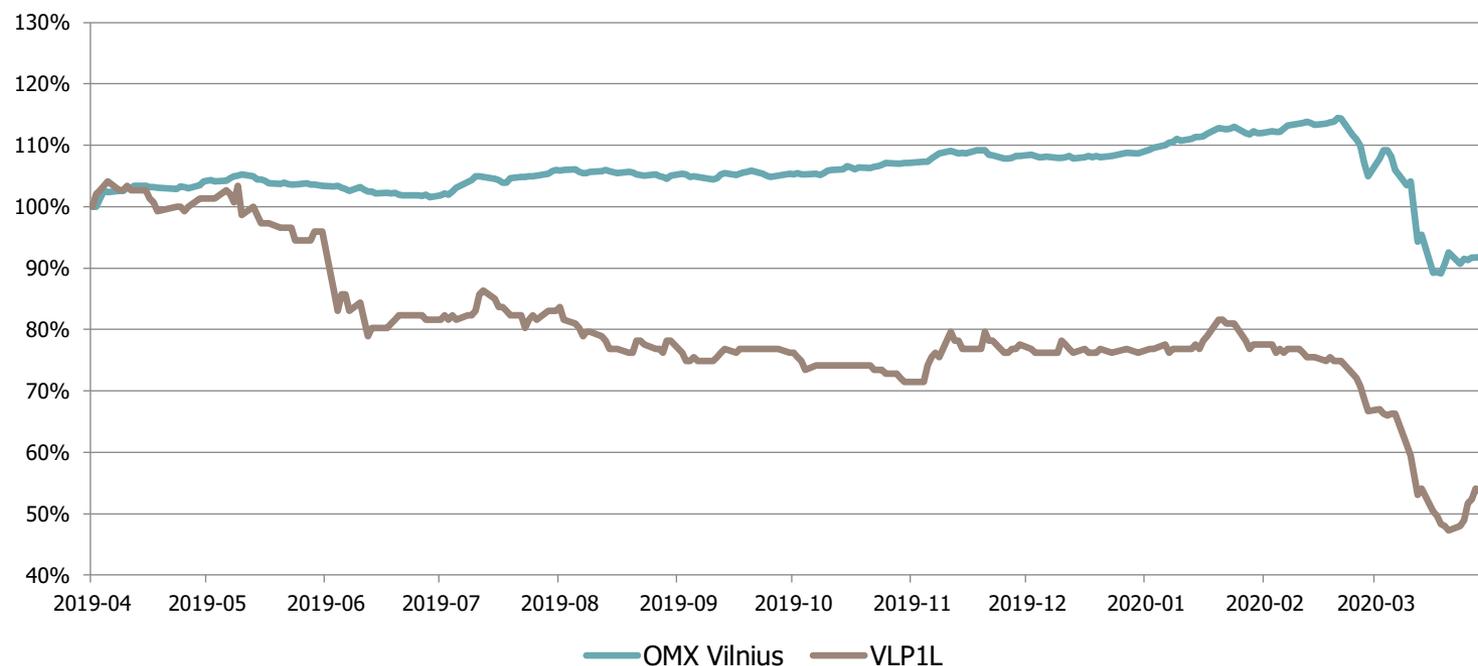
11. SHAREHOLDERS

Shareholder	Shares	Ownership interest
Swisspartners Versicherung AG Zweigniederlassung Österreich	6 067 206	51%
Multi Asset Selection Fund	2 035 729	17 %
Other shareholders	3 840 065	32 %
Capital in total:	11 943 000	100%



12. SHARE PRICE DATA

Vilkyškių pieninė AB share price and OMX Vilnius indexes comparison 2019 April – 2020 March.





VILKYŠKIŲ PIENINĖ AB

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